

LEGISLATURE OF THE STATE OF IDAHO
Sixty-second Legislature Second Regular Session - 2014

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 478, As Amended in the Senate

BY EDUCATION COMMITTEE

AN ACT

RELATING TO THE IDAHO STATE LOTTERY; AMENDING SECTION 67-7434, IDAHO CODE, TO REVISE PROVISIONS RELATING TO THE DISTRIBUTION OF NET INCOME, TO MAKE TECHNICAL CORRECTIONS AND TO REMOVE A SUNSET PROVISION; AND AMENDING SECTION 63-2520, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND TO MAKE A TECHNICAL CORRECTION; REPEALING SECTION 67-7434, IDAHO CODE, RELATING TO LOTTERY DIVIDENDS; REPEALING SECTION 63-2520, IDAHO CODE, RELATING TO DISTRIBUTION OF MONEYS COLLECTED; AMENDING CHAPTER 74, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-7434, IDAHO CODE, TO ESTABLISH PROVISIONS RELATING TO LOTTERY DIVIDENDS; AMENDING CHAPTER 25, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-2520, IDAHO CODE, TO ESTABLISH PROVISIONS RELATING TO THE DISTRIBUTION OF CERTAIN MONEYS COLLECTED; AND PROVIDING EFFECTIVE DATES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-7434, Idaho Code, be, and the same is hereby amended to read as follows:

67-7434. LOTTERY DIVIDENDS. (1) Annually, on July 1, ~~the lottery shall transfer one-half (1/2) of its net income to the permanent building account and one-half (1/2) of its net income to the school district building account, after reserving sufficient moneys to ensure the continuation of the lottery, as determined by the director and commission.~~

~~(2) Beginning on July 1, 2009, the distribution of net income provided for in subsection (1) of this section, shall be superseded by the provisions of this subsection (2).~~

~~(a) Annually, on July 1, the lottery shall transfer three-eighths (3/8) of its net income to the permanent building account; three-eighths (3/8) of its net income to the school district building account; and one-fourth (1/4) of its net income to the bond levy equalization fund after reserving sufficient moneys to ensure the continuation of the lottery, as determined by the director and commission.~~

~~(b2) The lottery shall ensure that the distributions made to the permanent building account and the school district building account, pursuant to the provisions of paragraph (a) subsection (1) of this subsection, shall not be less than the amount those accounts received for fiscal year 2008, provided funds are available at the fiscal year 2008 level. Provided however, in the event the level of available funds is less than the fiscal year 2008 level, one-half (1/2) of the available funds shall be transferred to the permanent building account and one-half (1/2) of the available funds shall be transferred to the school district building account.~~

~~(e3) In the event the lottery determines that an adjustment to an annual transfer as provided in paragraph (a) subsection (1) of this subsection must be made pursuant to the provisions of paragraph (b) subsection (2) of this~~

subsection, the difference shall be deducted from the one-fourth (1/4) net income transfer that was to be made to the bond levy equalization fund, and the bond levy equalization fund shall receive the remainder, if any.

~~(d) The provisions of this subsection (2) shall be null, void and of no force and effect on and after September 30, 2014.~~

SECTION 2. That Section 63-2520, Idaho Code, be, and the same is hereby amended to read as follows:

63-2520. DISTRIBUTION OF MONEYS COLLECTED. Revenues received from the taxes imposed by this chapter, and any revenues received from licenses, permits, penalties, interest, or deficiency additions, shall be distributed by the state tax commission as follows:

(a) An amount of money shall be distributed to the state refund account sufficient to pay current refund claims. All refunds authorized under this chapter by the commission shall be paid through the state refund account, and those moneys are continuously appropriated.

(b) On and after July 1, 2005, the balance remaining with the state treasurer after deducting the amount described in subsection (a) of this section shall be distributed as follows:

(1) 17.3% of such balance shall be distributed to the permanent building fund created by section 57-1108, Idaho Code.

(2) 0.4% of such balance shall be distributed to the central cancer registry fund. The amount of money so distributed to the central cancer registry fund shall not exceed the fiscal year's appropriation, and at such time as the appropriation has been distributed to the central cancer registry fund during any fiscal year, all such distributions in excess of the appropriation shall be made instead to the general fund of the state of Idaho.

(3) 1% of such balance shall be distributed to the cancer control account created by section 57-1702, Idaho Code. Revenues received in the cancer control account shall be paid over to the state treasurer by the state tax commission to be distributed as follows:

(i) Such amounts as are appropriated for purposes specified in section 57-1702, Idaho Code, shall be expended as appropriated;

(ii) Any balance remaining in the cancer control account on June 30 of any fiscal year after the amounts withdrawn by appropriation have been deducted, shall be reserved for transfer to the general fund on July 1 and the state controller shall order such transfer.

(4) An amount equal to the annual general fund appropriation for bond levy equalization, less the amount distributed under section 67-7434(21), Idaho Code, if applicable, pursuant to section 33-906, Idaho Code, shall be annually distributed to the general fund.

(5) All remaining moneys shall be distributed as follows: For the fiscal year commencing July 1, 2005, and ending June 30, 2006, all moneys shall be distributed to the economic recovery reserve fund created by section 67-3520, Idaho Code. For fiscal years on and after July 1, 2006, all moneys shall be distributed to the permanent building fund with the moneys to be used for the repair, remodel and restoration of the state capitol building and state facilities pertaining to the capitol restoration until such time as the capitol restoration is adequately

1 funded as certified by the director of the department of adminis-
2 tration. Thereafter all moneys shall be distributed to the economic
3 recovery reserve fund created by section 67-3520, Idaho Code.

4 SECTION 3. That Section [67-7434](#), Idaho Code, be, and the same is hereby
5 repealed.

6 SECTION 4. That Section [63-2520](#), Idaho Code, be, and the same is hereby
7 repealed.

8 SECTION 5. That Chapter 74, Title 67, Idaho Code, be, and the same is
9 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
10 ignated as Section 67-7434, Idaho Code, and to read as follows:

11 67-7434. LOTTERY DIVIDENDS. (1) Annually, on July 1, the lottery shall
12 transfer one-half (1/2) of its net income to the permanent building account
13 and one-half (1/2) of its net income to the school district building account,
14 after reserving sufficient moneys to ensure the continuation of the lottery,
15 as determined by the director and commission.

16 (2) Beginning on July 1, 2009, the distribution of net income provided
17 for in subsection (1) of this section shall be superseded by the provisions
18 of this subsection (2).

19 (a) Annually, on July 1, the lottery shall transfer three-eighths (3/8)
20 of its net income to the permanent building account; three-eighths
21 (3/8) of its net income to the school district building account; and
22 one-fourth (1/4) of its net income to the bond levy equalization fund
23 after reserving sufficient moneys to ensure the continuation of the
24 lottery, as determined by the director and commission.

25 (b) The lottery shall ensure that the distributions made to the per-
26 manent building account and the school district building account,
27 pursuant to the provisions of paragraph (a) of this subsection, shall
28 not be less than the amount those accounts received for fiscal year
29 2008, provided funds are available at the fiscal year 2008 level. Pro-
30 vided however, in the event the level of available funds is less than the
31 fiscal year 2008 level, one-half (1/2) of the available funds shall be
32 transferred to the permanent building account and one-half (1/2) of the
33 available funds shall be transferred to the school district building
34 account.

35 (c) In the event the lottery determines that an adjustment to an annual
36 transfer as provided in paragraph (a) of this subsection must be made
37 pursuant to the provisions of paragraph (b) of this subsection, the dif-
38 ference shall be deducted from the one-fourth (1/4) net income transfer
39 that was to be made to the bond levy equalization fund, and the bond levy
40 equalization fund shall receive the remainder, if any.

41 (d) The provisions of this subsection (2) shall be null, void and of no
42 force and effect on and after September 30, 2014.

43 SECTION 6. That Chapter 25, Title 63, Idaho Code, be, and the same is
44 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
45 ignated as Section 63-2520, Idaho Code, and to read as follows:

1 63-2520. DISTRIBUTION OF MONEYS COLLECTED. Revenues received from the
 2 taxes imposed by this chapter, and any revenues received from licenses, per-
 3 mits, penalties, interest, or deficiency additions, shall be distributed by
 4 the tax commission as follows:

5 (a) An amount of money shall be distributed to the state refund account
 6 sufficient to pay current refund claims. All refunds authorized under this
 7 chapter by the commission shall be paid through the state refund account, and
 8 those moneys are continuously appropriated.

9 (b) On and after July 1, 2005, the balance remaining with the state
 10 treasurer after deducting the amount described in subsection (a) of this
 11 section shall be distributed as follows:

12 (1) 17.3% of such balance shall be distributed to the permanent build-
 13 ing fund created by section 57-1108, Idaho Code.

14 (2) 0.4% of such balance shall be distributed to the central cancer reg-
 15 istry fund. The amount of money so distributed to the central cancer
 16 registry fund shall not exceed the fiscal year's appropriation and, at
 17 such time as the appropriation has been distributed to the central can-
 18 cer registry fund during any fiscal year, all such distributions in ex-
 19 cess of the appropriation shall be made instead to the general fund of
 20 the state of Idaho.

21 (3) 1% of such balance shall be distributed to the cancer control ac-
 22 count created by section 57-1702, Idaho Code. Revenues received in the
 23 cancer control account shall be paid over to the state treasurer by the
 24 state tax commission to be distributed as follows:

25 (i) Such amounts as are appropriated for purposes specified in
 26 section 57-1702, Idaho Code, shall be expended as appropriated;

27 (ii) Any balance remaining in the cancer control account on June
 28 30 of any fiscal year, after the amounts withdrawn by appropri-
 29 ation have been deducted, shall be reserved for transfer to the
 30 general fund on July 1 and the state controller shall order such
 31 transfer.

32 (4) An amount equal to the annual general fund appropriation for
 33 bond levy equalization, less the amount distributed under section
 34 67-7434(2), Idaho Code, if applicable, pursuant to section 33-906,
 35 Idaho Code, shall be annually distributed to the general fund.

36 (5) All remaining moneys shall be distributed as follows: For the fis-
 37 cal year commencing July 1, 2005, and ending June 30, 2006, all moneys
 38 shall be distributed to the economic recovery reserve fund created by
 39 section 67-3520, Idaho Code. For fiscal years on and after July 1, 2006,
 40 all moneys shall be distributed to the permanent building fund with
 41 the moneys to be used for the repair, remodel and restoration of the
 42 state capitol building and state facilities pertaining to the capitol
 43 restoration until such time as the capitol restoration is adequately
 44 funded as certified by the director of the department of administra-
 45 tion. Thereafter, all moneys shall be distributed to the economic
 46 recovery reserve fund created by section 67-3520, Idaho Code.

47 SECTION 7. Sections 1 and 2 of this act shall be in full force and effect
 48 on and after July 1, 2014. Sections 3, 4, 5 and 6 shall be in full force and
 49 effect on and after July 1, 2019.